

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 610 – SB 837

February 3, 2014

SUMMARY OF ORIGINAL BILL: Authorizes local jurisdictions, having previously approved liquor-by-the-drink sales or retail package liquor stores, to hold a referendum authorizing the sale of wine in a “retail food store”.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Revenue –

\$2,419,000/FY14-15/ABC Fund

Exceeds \$4,217,500/FY15-16/ABC Fund

Exceeds \$3,690,000/FY16-17 and Subsequent Years/ABC Fund

\$1,724,800/FY14-15/General Fund

\$7,278,200/FY15-16/General Fund

Exceeds \$7,677,700/FY16-17 and Subsequent Years/General Fund

Increase State Expenditures –

\$1,458,100/FY14-15/ABC Fund

\$2,115,300/FY15-16/ABC Fund

\$2,246,100/FY16-17/ABC Fund

\$1,912,800/FY17-18 and Subsequent Years/ABC Fund

Increase Local Revenue –

Exceeds \$2,260,300/FY14-15/Permissive

Exceeds \$5,873,600/FY15-16/Permissive

Exceeds \$6,014,800/FY16-17 and Subsequent Years/Permissive

SUMMARY OF AMENDMENT (010591): Deletes all language in the original bill. Authorizes a local referendum asking voters if they are for or against the sale of wine in retail food stores within their jurisdiction. Only jurisdictions having approved retail package liquor stores or the sale of alcoholic beverages on the premises may hold such a referendum.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Other Fiscal Impact – To the extent a referendum is held as part of a regularly-scheduled election, the fiscal impact to local governments is estimated to be not significant. To the extent a local government holds a referendum outside of a regularly-scheduled election, there would be a one-time permissive increase in local government expenditures of an unknown amount.

Assumptions for the bill as amended:

- Any administrative cost associated with holding a referendum as part of a regularly-scheduled election is estimated to be not significant.
- To the extent referendums are not held as part of regularly-scheduled elections, there would be a one-time permissive increase in local government expenditures. Any such one-time permissive increase in local government expenditures is unknown and would be dependent upon the size of the political subdivision holding the referendums.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

/cce